and Bokaro Steel Plants of SAIL. The modernisation of Durgapur Steel Plant is likely to be completed by June, 1995 followed by completion of Rourkela modernisation in August, 1996 and Bokaro modernisation in July, 1997. In the private sector, the Tata Iron & Steel Company has also undertaken modernisation to increase its production and quality, and to produce value added products. To facilitate, *inter alia*, modernisation efforts of different units, the Iron & Steel industry has been included in the list of Industries eligible for Automatic Approvals for foreign technology agreement upto specified limits and for 51% foreign equity. Imports of capital goods have been easier. In addition, no prior permission is required for engaging the services of foreign experts.

(c) The private sector has responded positively to the liberalisation of the industrial policy, and a large number of Industrial Entrepreneur's Memoranda have been filed for the manufacture of steel. A capacity of about 4.6 million tonnes for the production of steel through large sized projects is already at various stages of implementation.

**News report on recruitment in Durga-pur Steel Plant**

653. SHRI G.Y. KRISHNAN: Will the Minister of STEEL be pleased to state :

(a) whether Government's attention has been drawn to the news item which appeared in the Sunday Observer, New Delhi of July 3rd and 9th, 1994 (Business Section) under the caption "Multi-crore recruitment scandal surfaces at Dargapur Steel Plant";

(b) if so, the details thereof and the reaction thereto;

(c) the *modus operandi* of the scandal reported in the above news item; and

(d) the preventive measures which Government have taken or propose to take in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV):
(a) Yes, Sir.

(b) and (c) It is a fact that the local police received a complaint from a person, who had alleged irregulatrities in the recruitment of Junior Operative Trainees at Durgapur Steel Plant (DSP). On receipt of the said complaint certain" persons were arrested including employees of the DSP. The matter is now under investigation by the police authorities.

(d) The recruitment system in DSP has been evolved over a period of time with several built in checks to ensure that it is a fair process. However, after the recent incident, top management of DSP have constituted a committee to review the recruitment procedure to see how it can be further improved.

**Production of Sail**

654. SHRI JANARDAN YADAV : Will the Minister of STEEL be pleased to state :

(a) what has been estimated production in the Steel Authority of India, during the calendar year of 1994;

(b) what is the value of exports as well as the amount of domestic sale made by the Steel Authority of India ; and

(c) what is the amount of foreign exchange earned by SAIL during this year and what has been the increase in this earning as compared to that of the last year ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) The production of saleable steel

by the Integrated Steel Plants of Steel Authority of India Limited during first six months of the calendar year 1994 (January-June, 1994) has been 4.445 million tonnes.

(b) The value of exports and domesti sales of the Steel Authority of India Limited during the period January to June, 1994 is as follows:

| | |
|---|---|
| Export ..... | Rs. 240 crores |
| Domestic Sales (Approx.) . | Rs. 6500 |

(c) The Foreign Exchange earned , by Steel Authority of India Limited from exports during the period January to June, 1994 is Rs. 240 crores (Approx.) as against Rs. 250 crores (Approx.) during the corresponding period last year.

**Setting up Steel Plant in Bihar**

655. SHRI AAS MOHAMMAD : Will the Minister of STEEL be pleased to steate :

(a) whether any proposal to set up steel plant in Bihar has been pending for clearance for a long time ;

(b) if so, when the proposal was received ;

(c) the reasons for delay in giving clerance to it ; and

(d) the time by which the project is likely to be cleared ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) to (d) One proposal of M/s. Ashiana Alloys & Steels Ltd. for garnt of industrial licence for manufacture of Mild Steel Ingots & Steel Castings for an annual capacity of 13,500 Metric Tonnes at Digha Ghat, Patna, Bihar was received in June, 1994. The proposal has already been examined and an appropriate communication will be issued shortly to the applicant.

**EURO issue of the Vizaga pattinam Steel Plant**

656. SHRI V. NARAYANASAMY: Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that the Vizagapattinam Steel Euro issue that has been floated to mobilise funds is losing Rs. one crore a day because the shares are not being sold according to specified time; and

(b) if so, the steps Government are taking to streamline the sale of the Euro issue in the international market ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) No, Sir.

(b) Does not arise.

**Mechanical equipment for furnace at Bokaro Steel Plant**

657. SHRI MD. SALIM :
SHRI DIPANKAR MUKHERJEE :

Will the Minister of STEEL be , pleased to state :

(a) whether it is a fact that Metallurgical and Engineering Consultents India Limited (MECON) a PSU, has made an MOU with Binny Limited a private company in December, 1993, although Binny Limited is under Board of Industrial and Financial Reconstruction (BIFR) ;